

4501

2011-2012 Regular Sessions

I N S E N A T E

April 7, 2011

Introduced by Sen. CARLUCCI -- read twice and ordered printed, and when printed to be committed to the Committee on Transportation

AN ACT to amend the public authorities law, in relation to directing the metropolitan transportation authority to contract for the provision of an independent forensic audit of such authority; and providing for the repeal of such provisions upon expiration thereof

THE PEOPLE OF THE STATE OF NEW YORK, REPRESENTED IN SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

1 Section 1. The public authorities law is amended by adding a new
2 section 1265-c to read as follows:
3 S 1265-C. INDEPENDENT FORENSIC AUDIT. 1. NOTWITHSTANDING ANY OTHER
4 PROVISION OF LAW, THE AUTHORITY SHALL, WITHIN SIXTY DAYS OF THE EFFEC-
5 TIVE DATE OF THIS SECTION, CONTRACT WITH A CERTIFIED PUBLIC ACCOUNTING
6 FIRM FOR THE PROVISION OF AN INDEPENDENT, COMPREHENSIVE, FORENSIC AUDIT
7 OF THE AUTHORITY. SUCH AUDIT SHALL BE PERFORMED IN ACCORDANCE WITH
8 GENERALLY ACCEPTED GOVERNMENT AUDITING STANDARDS. SUCH AUDIT SHALL BE
9 INDEPENDENT OF AND IN ADDITION TO THE INDEPENDENT AUDIT OF THE AUTHORITY
10 CONDUCTED PURSUANT TO SECTION TWENTY-EIGHT HUNDRED TWO OF THIS CHAPTER.
11 2. THE CERTIFIED INDEPENDENT PUBLIC ACCOUNTING FIRM PROVIDING THE
12 AUTHORITY'S INDEPENDENT, COMPREHENSIVE, FORENSIC AUDIT SHALL BE PROHIB-
13 ITED IN PROVIDING AUDIT SERVICES IF THE LEAD (OR COORDINATING) AUDIT
14 PARTNER (HAVING PRIMARY RESPONSIBILITY FOR THE AUDIT), OR THE AUDIT
15 PARTNER RESPONSIBLE FOR REVIEWING THE AUDIT, HAS PERFORMED AUDIT
16 SERVICES FOR THE AUTHORITY WITHIN ANY OF THE TEN PREVIOUS FISCAL YEARS
17 OF THE AUTHORITY.
18 3. THE CERTIFIED INDEPENDENT ACCOUNTING FIRM PERFORMING THE AUDIT
19 PURSUANT TO THIS SECTION SHALL BE PROHIBITED FROM PERFORMING ANY NON-AU-
20 DIT SERVICES FOR THE AUTHORITY CONTEMPORANEOUSLY WITH THE AUDIT.
21 4. IT SHALL BE PROHIBITED FOR THE CERTIFIED INDEPENDENT PUBLIC
22 ACCOUNTING FIRM TO PERFORM FOR THE AUTHORITY ANY AUDIT SERVICE IF THE
23 CHIEF EXECUTIVE OFFICER, COMPTROLLER, CHIEF FINANCIAL OFFICER, CHIEF

EXPLANATION--Matter in ITALICS (underscored) is new; matter in brackets
[] is old law to be omitted.

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1 ACCOUNTING OFFICER OR ANY OTHER PERSON SERVING IN AN EQUIVALENT POSITION
2 IN THE AUTHORITY WAS AN EMPLOYEE, CONSULTANT OR INDEPENDENT CONTRACTOR
3 OF THAT CERTIFIED INDEPENDENT PUBLIC ACCOUNTING FIRM AND PARTICIPATED IN
4 ANY CAPACITY IN THE AUDIT OF THE AUTHORITY AT ANY TIME IN THE PAST.

5 5. THE CERTIFIED INDEPENDENT PUBLIC ACCOUNTING FIRM CONTRACTED TO
6 PERFORM THE INDEPENDENT COMPREHENSIVE, FORENSIC AUDIT OF THE AUTHORITY
7 SHALL, ON OR BEFORE JANUARY FIRST, TWO THOUSAND THIRTEEN, REPORT ITS
8 FINDINGS, CONCLUSIONS AND RECOMMENDATIONS TO THE GOVERNOR, THE STATE
9 COMPTROLLER, THE TEMPORARY PRESIDENT OF THE SENATE, THE SPEAKER OF THE
10 ASSEMBLY, THE CHAIR AND RANKING MINORITY MEMBER OF THE SENATE FINANCE
11 COMMITTEE, THE CHAIR AND RANKING MINORITY MEMBER OF THE ASSEMBLY WAYS
12 AND MEANS COMMITTEE, THE CHAIRS AND RANKING MINORITY MEMBERS OF THE
13 SENATE AND THE ASSEMBLY CORPORATIONS, AUTHORITIES AND COMMISSIONS
14 COMMITTEES, AND THE CHAIRS AND RANKING MINORITY MEMBERS OF THE SENATE
15 AND THE ASSEMBLY TRANSPORTATION COMMITTEES.

16 S 2. This act shall take effect immediately, and shall expire and be
17 deemed repealed January 2, 2013.